

# Committee on Ways and Means

## Economic Update: Dow Hits 12,000, Wages Up, Inflation Down *Good News for Workers, Consumers, and Investors*

Today brought a host of good economic news, showing that the American economy is working for American investors, American consumers, and American workers.

### Dow Jones Industrial Average crosses 12,000

- The Dow has grown more than 35 percent since savings and investment tax relief was passed in 2003, and the S&P 500 is trading about 11 percent below the all-time high of 1,527.
- Dividend income to savers has increased 51 percent since tax relief was passed in 2003.
- The rise of the stock market is broadly felt – more than half of all American households own equities, either directly or through mutual fund investments or retirement plans such as 401(k)s, and 25 percent of American seniors aged 65-74 directly own stocks.

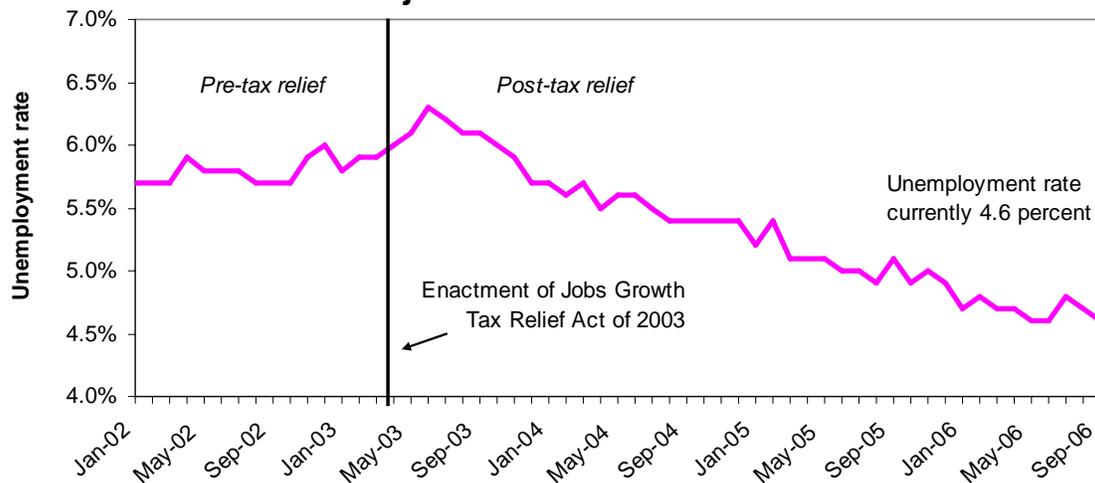
### Real average weekly income has climbed 2.2 percent during the last 12 months

- Real disposable income for Americans increased 5.4 percent over the last twelve months, as tax relief has helped to put more money in the pockets of American workers.
- American households are wealthier than ever, as household net worth has increased by 75 percent (or by \$5.3 trillion) since January 2001.
- More Americans are working than ever before, as workers enjoy a 4.6 percent unemployment rate, lower than the average of the last four decades and lower than almost every major industrialized country.

### The Consumer Price Index fell 0.5 percent in September

- Falling energy prices have helped ease inflation, which has risen only 2.1 percent in the last 12 months, well below the historical average.
- Gas prices have fallen 80 cents per gallon since the beginning of August.

### Unemployment rate dropped and 6.6 million new jobs created since tax relief in 2003



Source: Bureau of Labor Statistics